

OVERVIEW OF BUSINESS ACTIVITY

Calendar Year 2002

State gross business income fell 3.5 percent this year over last year.

Wholesale Trade dropped 8.4 percent. Under this sector, Durable and Nondurable Goods saw losses of 13.2 and 3.8 percent, respectively. For Durable Goods, the only bright spots were Motor Vehicles and Auto Equipment with a 2.8 percent gain and Hardware/Plumbing/Heating Supplies with a 1.5 percent gain. As for Nondurable Goods, the only growth worth mentioning was in Groceries and Related Products and Miscellaneous Nondurable Goods, which increased 2.7 and 7.7 percent, respectively.

If there was one significant sector that did not follow the trend, it was Retail Trade which rose 4.3 percent. Under this sector, Food Stores gained 2.3 percent and Miscellaneous Retail grew 3.6 percent. Unfortunately, the largest industry, Automotive Dealers and Gas Stations, declined 2.8 percent.

The Manufacturing sector fell 7.7 percent. Here, the Transportation Equipment industry dropped almost 17 percent while Food Products gained little at 1 percent. With Transportation Equipment, the loss was due almost entirely to the Aircraft and Parts business activity, which experienced negative 18.2 percent. Under Food Products, Miscellaneous Food Products lost 14.5 percent of its size while Dairy Products grew 26.9 percent.

Other major sectors in the state also suffered losses. For example, Finance, Insurance and Real Estate took a blow of 4.3 percent and Services and Other Business 1.1 percent. With the exception of Finance which fell 10.5 percent, all industries under Finance, Insurance and Real Estate grew at decent rates. Under Services and Other Business, the major industry that really did well was Medical and Health Services at 9 percent. Unfortunately, this was balanced out by a loss of 11.5 percent experienced in Business Services.